



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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August 16, 2001

Dexter Anderson, Attorney
Star Route 52
730 North 3900 West
Fillmore, Utah 84631

Re: Permitting Response, Red Dome Mining Company, Red Dome Mine, M/027/032, Millard County, Utah

Dear Mr. Anderson:

During an inspection performed April 28, 1998, the Division requested that you update your mining and reclamation plan to accurately reflect what disturbance existed onsite. On June 1, 1998, we received a letter from you stating that the Red Dome Mine should be exempt from regulation under the Utah Mined Land Reclamation Act and Minerals Rules based upon your opinion that it be categorized as a *rock aggregate* operation. We apologize for our untimeliness in responding to your letter. I wish to clarify the Division's current position on *rock aggregate* operations.

On May 8, 1998, the Board of Oil, Gas and Mining approved the following definition for *rock aggregate* operations.

"Rock Aggregate" means those consolidated rock materials associated with a sand deposit, a gravel deposit, or a sand and gravel deposit, that were created by alluvial sedimentary processes. The definition of rock aggregate specifically excludes any solid rock in the form of bedrock which is exposed at the surface of the earth or is overlain by unconsolidated material."

Our opinion remains unchanged regarding the applicability of our regulatory jurisdiction over the mining operations being conducted at the Red Dome Mine. However, the current approved definitions for sand, gravel and rock aggregate operations have been challenged and are under appeal by the Associated General Contractors. A temporary stay has been granted by the Utah Supreme Court, which has delayed the implementation of these definitions. This case is scheduled for appeal on September 7, 2001, and will be decided on its merits by the Utah Supreme Court.

Because you have challenged our regulatory jurisdiction under these suspended definitions, we will suspend taking any further action on this permit until such time as the Supreme Court makes its ruling. Thank you for your patience in regards to this matter.

Sincerely,

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb

cc: Mary Ann Wright, OGM
Sheri Wysong, BLM, Fillmore FO
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